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05 September 2016

Version of attached file:

Accepted Version

Peer-review status of attached file:

Peer-reviewed

Citation for published item:

Li, M. and He, X. and Sousa, C.M.P. (2016) 'A review of the empirical research on export channel selection between 1979 and 2015.', *International business review.*, 26 (2). pp. 303-323.

Further information on publisher's website:

<http://dx.doi.org/10.1016/j.ibusrev.2016.09.001>

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A Review of the Research on Export Channel Selection

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A Review of the Empirical Research on Export Channel Selection between 1979 and 2015

Abstract: Export channel selection is an important strategy for exporting firms. Over the last 45 years, there have been a number of studies investigating the antecedents and outcomes of this strategy. However, no single study systematically reviews the findings in this field. In order to address this gap, we review the literature on export channel selection up to 2015 and analyse findings on the determinants and/or consequences of export channel selection. Our review shows that in general export channel selection remains underexplored. We identify a number of issues in the current studies, including lacking knowledge of performance implication of channel selection, missing theoretical bases, weaknesses of research methods. Based on these, this review provides future research directions for development in export channel selection research.

Highlights:

- We review the export channel selection empirical studies in the last 40 years.
- We analyse determinants and the consequence of export channel selection.
- Areas to be strengthened include theoretical basis and methodological issues.
- We provide suggestions for future research.

Keywords: Export channel selection, Export performance, Literature review, Resource-based view, Transaction cost analysis, Institutional theory

1. Introduction

Exporting is one of the most important internationalisation strategies for firms to expand their market base into the international arena in order to acquire more opportunities and achieve better performance (e.g., Aulakh & Kotabe, 1997; He, Brouthers, & Filatotchev, 2013; Klein & Roth, 1990). According to the World Bank (2015), exports accounted for around 29.8% of the global GDP in 2013. In exporting, channel selection represents a key strategic decision in the form of an organisational structure that a company uses to arrange and support the marketing, selling, and distribution of its products into foreign markets (Anderson & Coughlan, 1987; Hoppner & Griffith, 2015; Klein & Roth, 1990). Basically, there are three options available for firms to organise export channels: market modes (using title-taking distributors to perform export functions), intermediate modes (cooperating with agents/intermediaries to share control of the exporting activities), and hierarchical modes (using self-managed operation in exporting) (Klein & Roth, 1990).

Widely recognised as one of the most important strategic decisions in a firm's international marketing, export channel selection has significant cost and performance implications for exporting organisations (Barney, Wright, & Ketchen, 2001; He et al., 2013). For instance, an export channel cannot be easily reversed when chosen and implemented due to a high level of sunk cost involved (Anderson & Coughlan, 1987; Ramaseshan & Patton, 1994). Also, an export channel plays an important role in affecting a firm's export performance, which can have a vital influence on that firm's willingness to hold and continue its investment and involvement in foreign entry (Brouthers, Brouthers, & Werner, 2008a; Sousa, Martínez-López, & Coelho, 2008; Zou & Stan, 1998).

Export channel is an unavoidable topic in review studies of international marketing strategy (e.g., Aspelund, Madsen, & Moen, 2007; Theodosiou & Leonidou, 2003),

international marketing channel (e.g., Hoppner & Griffith, 2015), and export performance (e.g., Chen, Sousa, & Xinming, 2016; Sousa et al., 2008). However, export channel selection and the mechanism behind the selection are largely overlooked in these reviews. While Hoppner and Griffith (2015) offer a review of international marketing channels literature investigating how firms engage in international marketing, their study does not cover the very important topic of export channel selection. In particular, they list exporting, franchising, alliances and joint-ventures, retailing, supply chain and logistics as channel structures, the typology of which is quite different from those calibres in the export channel literature (e.g., Anderson & Gatignon, 1986; Klein & Roth, 1990). Therefore, to the best of our knowledge, no study has ever tried to take a systematic review and understand export channel selection, leaving a significant gap in the exporting literature.

The study of export channels can be traced back to the 1970s when some scholars used case studies to identify the force behind the channel selection (e.g., Duguid & Jaques, 1971). Over the past four decades, a number of studies on the determinants and/or outcomes of export channel selection have been published. There also seems to be an increasing interest in the topic as the number of studies has grown in recent years. By reviewing the current literature on export channel selection, we find that the studies in this field (1) examine various antecedents to export channel selection, (2) include varied frameworks for detecting export channel selection, sometimes involving no explicit theoretical foundation, (3) are dominated by one theoretical underpinning - transaction cost analysis (TCA) while overlooking other approaches such as institution and resource/capabilities, (4) use quite inconsistent typologies of export channels and descriptions of variables, (5) adopt their own methodology and analysis approaches, and (6) often produce contradictory results with respect to the influence of determinants and consequences of export channel strategy. Being such an important strategy in exporting, and a decisive route for performance enhancement,

the importance of export channel selection should be highlighted more both academically and practically. However, the lack of a systematic effort comprehensively examining past work in this field not only limits our understanding of the advancement made in the current literature, it also constrains our ability from exploring this field's new territory. Therefore, there is an urgent need to synthesise the extant knowledge on export channel selection studies to facilitate theory development and advancement in the area.

Addressing these issues, this review makes three important contributions. First, we make an initial attempt to integrate the understanding of export channel selection research by synthesising the existing knowledge. This includes delineating the evolution of export channel selection literature, and the different approaches available to identify the state of the studies. This review examines, explores, and separates previous research into theoretical perspectives, antecedents, outcomes, and considers the data and analytical methodology adopted in such studies in order to improve our understanding of how the research questions were addressed. Knowledge of what leads to channel strategy and its outcomes can be highly beneficial to both academics and practitioners in facilitating their understanding of the wisdom accumulated by researchers so far, and providing guidelines to help managers make good channel decisions.

Second, following the overview, we examine and analyse in detail the dispersed frameworks, theories, and methodologies applied in research to date from a bird's-eye view as a means of appreciating the breadth and depth of current export channel selection research. This comprehensive review contrasts different perspectives, identifies the most relevant approaches, and specifies the dominant relationships. The goal is to synthesise and integrate the diverse angles which researchers have employed to explore export channel design and, thereby, to facilitate theory development.

Third, we identify and discuss in depth some important issues in prior research in respect of conceptualisation, theory, and methodology. Based on the discussion, we recommend directions for further study such as the antecedents and theories that have not been linked with export channel selection, to strengthen the existing theories and frameworks, and the possibility of revisiting the under-debated linkages. We also offer ideas to conduct more robust empirical studies by considering methodological and statistical issues. These will stimulate further export marketing research on channel strategy and export performance in new ways, and develop more theoretical formulations.

We start with a review of current export channel studies, which includes categorising the export channel, and analysing the theoretical bases used in previous work. This is followed by summarising and evaluating the methodological characteristics of the reviewed studies along three dimensions, these being: fieldwork characteristics, sampling and data collection, and statistical analysis. Finally, discussions, implications and ideas for the future direction of research into export channel selection are presented.

2. Literature Review

2.1. Scope and analytical approach of the review

In order to undertake a comprehensive search of the studies on export channel selection, this study uses advanced search functions, including EBSCO, Science Direct, Scopus, Web of Science, and JSTOR, to identify the export channel selection literature. Keywords related to export channel selection research (e.g., export channel, intermediary, integrated channel, channel strategy, channel governance, export mode, export integration, export distribution) are used to identify relevant literature without any time restriction. In addition, we sent out emails on list servers such as the Academy of International Business (AIB) community (one

of the largest and most inclusive of its type with over 6,300 subscribers), and asked for studies in the area through their official electronic mailing lists.

Several criteria were established for a study to be included in this research: (1) It must report on a firm(s) that engages in exporting rather than other kinds of foreign market entry modes (e.g., licensing, franchising, joint ventures, or foreign direct investment); (2) it must examine export channel selection from a micro-business perspective rather than that of macroeconomics; (3) it must study export channel selection as a primary and focal objective; (4) it must have an empirical nature which reports data analysis; and (5) it should provide adequate information on research methodologies in order to achieve uniformity and comparability. Case study/research and the literature that appears in non-English publications are not included in this review (e.g., Wen-Shinn & Soo-May, 2009). Each article identified by this initial searching process was individually reviewed to ensure that its focal topic was related to export channel selection. Any article that was not topically relevant or did not fit any of our criteria was removed from the sample (e.g., articles focusing on the management of the relationship involved in the export channel rather than selection; articles that study decisions in a given channel rather than the channel selection decision) (e.g., Bello & Williamson, 1985; Chelariu, Bello, & Gilliland, 2006).

After the careful review and selection process, a total of 47 studies were identified (see Table 1), many of which come from leading marketing/international business journals, including *International Marketing Review* (6), *International Business Review* (4), *Journal of International Business Studies* (3), *Journal of Marketing* (2), *Journal of International Marketing* (2), *Journal of the Academy of Marketing Science* (2), *Journal of Management* (1), *Management Science* (1), *Journal of Marketing Research* (1), and *European Journal of Marketing* (1).

(Insert Table 1)

This relatively small number of articles on export channel selection is surprising, indicating that this field, whilst having attracted some scholarly enquiries, is not as flourishing as other aspects of exporting such as export performance (Chen et al., 2016; Sousa et al., 2008) and, hence, demands much more research effort to provide richer and robust answers to the focal question of what drives exporting firms' channel selection. That said, the studies to date have revealed many important antecedents and consequences of channel selection (e.g., He et al., 2013; Klein & Roth, 1990; McNaughton, 2001; Trabold, 2002).

Following the approach used by many scholars on exporting (e.g., Sousa et al., 2008; Tan & Sousa, 2011; Zou & Stan, 1998), we employ the vote-counting technique instead of meta-analysis as the analytical method because the latter requires a relatively large sample size (i.e., the number of studies) to establish the relationship between two variables (Hunter & Schmidt, 1990), and the articles we review cannot meet this specific condition. The vote-counting approach has the advantage that it “summarises for each independent factor, the number of studies that report a significant positive effect, a significant negative effect or a non-significant effect” on export channel selection, offering a clearer picture for reading (Sousa et al., 2008: 346).

2.2. Theoretical Bases and Frameworks

In this section, we discuss the typology of the export channel, and theoretical frameworks of the studies reviewed. In order to secure a comprehensive view of export channel strategy, we develop a table that presents the theoretical bases, analysis method used, and findings of the export channel selection studies included (see Table 1). Due to the complexity of the export channel structure applied in the previous research, we start with the typology of the

export channel.

2.2.1. Typology of Export Channel

There seems to be no agreement on a typology of export channel structure. Hence, there is considerable difficulty in comparing empirical findings. Over 15 typologies are found in previous export channel selection literature (See Table 2). Among them, the direct/indirect channel classification of Brady and Bearden (1979) is the most popular, adopted by 14 studies (e.g., Chung, 2002; Peng, Zhou, & York, 2006; Trabold, 2002). According to them, firms sell their offerings to foreign customers or foreign middlemen/agents/distributors directly or through a company-owned salesforce/distribution channel located overseas in a direct export channel whereas in indirect channels firms sell to a middleman, agent or distributor who exports for them to the target countries.

(Insert Table 2 here)

Another popular scheme is devised by Klein and Roth (1990). They developed a useful categorisation of three types of channel referring to the market mode, intermediate mode, and hierarchical mode (including integrated channels with offices at home and/or in foreign markets) according to the degree of integration. Ten studies adopt this typology (e.g., He et al., 2013; Rialp, Axinn, & Thach, 2002). Compared with the direct/indirect channel typology, the categorisation of market/intermediate/hierarchical provides a more specific description of firms' roles and involvement in export activities. In addition, the direct/indirect channel typology includes distributor, agent/middleman in both direct and indirect channel structures, therefore, the differences between these channel members cannot be distinguished clearly. As the role and function of distributor and agent/middleman are quite different in practice, the Klein and Roth (1990) categorisation offers a clearer view of channel structures in exporting.

In addition to these two categorisations, the typology developed by Anderson and Coughlan (1987) which includes integrated and independent channels is adopted by six studies (e.g., Khemakhem, 2010; McNaughton & Bell, 2001; Ramaseshan & Patton, 1994).

Service is quite different from other industries due to the specificity and characteristics of service and its offerings (Kotler & Armstrong, 2010). Six studies reviewed look at the channel selection for service industry (e.g., Erramilli & Rao, 1993; McNaughton, 1996; Parente, Choi, Slangen, & Ketkar, 2010). According to the feature of the offering in some non-separable service sector, studies such as Erramilli and Rao (1993) and Ekeledo and Sivakumar (2004) developed a classification of shared-control/full control export mode for the channel selection of service firms while direct writing/independent agency typology is used by Parente et al. (2010).

As shown in Table 2, in addition to these typologies, there are a number of typologies that have only been used once or twice such as proprietary channel/non-proprietary channel classification used by Gabrielsson and Gabrielsson (2011), single/multiple channel classification used by McNaughton (2002), and hierarchical/cooperative channel classification used by Kalinic and Brouthers (2015).

2.2.2. Theories and Frameworks

A number of studies were grounded in different theoretical perspectives, including TCA (e.g., Bello & Lohtia, 1995; Klein, Frazier, & Roth, 1990), the Uppsala internationalisation process model (UM) (e.g., Eriksson, Hohenthal, & Lindbergh, 2006; Khemakhem, 2010), the resource-based view (RBV) (including organisational capabilities theories) (He et al., 2013; Li & Li, 2003), and institutional theory (IT) (e.g., He et al., 2013; Hessels & Terjesen, 2010). Some studies, especially earlier publications, do not explicitly draw on major theories (e.g., Brady & Bearden, 1979; Chan, 1992). We now analyse the four major theoretical

perspectives and the antecedents involved in the studies reviewed (see also Table 1).

Transaction Cost Analysis. Among the theories that have been used, TCA holds a dominant position in explaining export channel decisions, and 29 of the studies reviewed are TCA-based (see Table 1). TCA demonstrates that the decision to apply a particular governance structure depends on the comparative transaction cost (Erramilli & Rao, 1993; Klein & Roth, 1990). Therefore, exporting firms will choose the channel structure that allows them to perform at lower cost, and rely on the market if it is effective (Klein et al., 1990; Williamson, 1979).

Bounded rationality and opportunism are the two key assumptions in TCA (Williamson, 1979, 1985). Bounded rationality assumes the constraints of decision makers' cognitive capabilities and limits on their rationality can become a barrier for firms when facing uncertainties (both environmental and behavioural), which will affect transaction cost (Rindfleisch & Heide, 1997; Standifird & Marshall, 2000; Williamson, 1979). Opportunism can create problems such as lying, cheating or violating agreements, and leading people/organisations to behave in their own interests, thus increasing the cost of co-ordination (Rindfleisch & Heide, 1997; Zhao, Luo, & Suh, 2004).

Asset specificity, uncertainty (both internal and external) and frequency are three conditions that are relevant to transaction cost, which will affect transaction arrangements. Asset specificity and internal uncertainty can influence the transaction cost level under the assumption of opportunism, while external uncertainty can influence the transaction cost according to the assumption of bounded rationality (Brouthers & Hennart, 2007; Williamson, 1985). Unlike asset specificity and uncertainties, frequency is negatively linked to transaction cost as the increased frequency can enable firms to achieve a scale effect that reduces transaction cost (Williamson, 1979, 1985). These three factors in exporting can influence

transaction cost levels and, subsequently, export channel arrangements (e.g., Anderson & Coughlan, 1987; Klein et al., 1990).

Asset specificity refers to the specialised human and physical assets accumulated during the transaction (Klein & Roth, 1990; Williamson, 1979). Eighteen studies include asset specificity. Among them, the majority of the studies (15) identify that a high level of asset specificity leads to a greater degree of internalisation of the channel structure (e.g., Klein et al., 1990; McNaughton, 1996) while three of them fail to have similar results or have mixed results (e.g., Aulakh & Kotabe, 1997; Erramilli & Rao, 1993).

Internal (behaviour) uncertainty arises when firms have difficulty in assessing their partners' performance under the assumption of bounded rationality (Williamson, 1985). This can be the result of lacking good measures of output or specifying the performance incorrectly (Anderson & Gatignon, 1986). Experience is a common way to measure the internal uncertainty of a firm. When firms have more experience, especially international experience, the internal uncertainty will be lower (Anderson & Gatignon, 1986; Brouthers & Hennart, 2007; Zhao et al., 2004). Experience are included in 11 previous export channel studies to explore the influence of internal uncertainty on export channel selection. Although the three studies with significant results all provide support that a higher degree of control in export channel will be chosen when firms gain greater international/exporting experience (e.g., Carazo & Lumiste, 2010; Ekeledo & Sivakumar, 2004), over half of the 11 studies found no evidence or mixed results concerning the connection between internal uncertainty and export channel selection (e.g., Eriksson et al., 2006; Fernández-Olmos & Díez-Vial, 2015).

External uncertainty, or environmental uncertainty, refers to unpredictable changes in circumstances around the exchange (Klein et al., 1990; Rindfleisch & Heide, 1997). The

unpredictability and changeability of environmental conditions create difficulty for transaction parties in drafting/amending/implementing a contract given their bounded rationality (Klein, 1989; Rindfleisch & Heide, 1997). Nine studies consider external uncertainty (e.g., Cho & Tansuhaj, 2013; Rialp et al., 2002), five of which examine the influence of the two dimensions of external uncertainty: volatility and diversity, on export channel selection (e.g., Bello & Lohtia, 1995; McNaughton, 1996). To our surprise, only three studies identify that external uncertainty positively leads to the selection of hierarchical channel/internet as the intermediary/single channel significantly. For the remaining studies, four found mixed effects of volatility and diversity on export channel selection, while two studies found no significant result.

Frequency is used to describe the recurrence of transactions (Brouthers & Hennart, 2007; Williamson, 1985). Often proxied as volume, frequency helps to spread both production cost and transaction costs, and enables firms to realise economies of scale (Bello & Lohtia, 1995; Klein et al., 1990; Williamson, 1985). In total, ten studies focusing on the impact of frequency on export channel selection use volume (including channel and export volume) as the determinant. Among them, seven studies found a positive relationship with the selection of direct or hierarchical export channels (e.g., Klein, 1989; McNaughton, 1996), while the remaining three found no significant influence (e.g., Osborne, 1996; Rialp, 2000).

Generally, research provides support for the idea of TCA, suggesting that high transaction costs lead to greater channel integration (e.g., Klein & Roth, 1990; McNaughton, 1996). Despite the number of transaction cost-based studies, there is much room for improving our knowledge and application of TCA to export channel selection. More thoughts need to be given to issues such as how internal uncertainty and external uncertainty influence export channel selection. By exploring and developing the antecedents and measures that

correspond more to the theoretical perspectives of TCA, we can gain a deeper understanding of how transaction costs affect the export channel decision (Brouthers & Hennart, 2007).

Uppsala Internationalisation Process Model. The Uppsala model (UM) is a popular theory to explain the mechanism of internationalisation and seven studies used UM as their theoretical base (e.g., Eriksson et al., 2006; Fernández-Olmos & Díez-Vial, 2015; Gabrielsson & Gabrielsson, 2011). It indicates that firms go through four different stages when entering international markets. Accordingly, firms will start their internationalisation with sporadic export activities before they export via intermediaries such as agents; they then establish overseas sales subsidiaries, and finally set up manufacturing/production units in the overseas market (Johanson & Vahlne, 1977, 2009; Johanson & Vahlne, 1990).

Psychic distance is an important concept in the UM. It results from a collection of factors that can create barriers in the process of translating information from firms to their markets, such factors being identified as language differences, cultural differences, political differences (Johanson & Vahlne, 1977). The problems associated with psychic distance encourage firms to begin their export business in foreign markets that are less distant from the home market in psychic terms than others, in order to avoid the disadvantages brought about by the liability of foreignness.

The basic assumption of the UM is that firms will learn from their operations in export markets to enhance their ability of identifying opportunities, and that they will change the commitment decision about their current activities in order to strengthen their position against foreign competition (Johanson & Vahlne, 2009). Therefore, as market knowledge grows, firms will make greater investment in the foreign market in the hope of securing more opportunities.

However, as global competition and technological development are becoming more

intense and faster than ever, some scholars argue that the old, incremental internationalisation model is no longer valid (Forsgren, 2002; Johanson & Vahlne, 2003; Petersen & Pedersen, 1997). This argument suggests that firms do not have to enter foreign markets through the stage chain; they can, in fact, proceed to internationalisation more rapidly by methods such as joint venture, strategic alliance, and even acquisitions, which no longer correlate with psychic distance (Johanson & Vahlne, 2009; Madsen & Servais, 1997). The recent development of the UM views the business environment as a relationship web instead of a market system with independent suppliers and customers (Johanson & Vahlne, 2003, 2009). According to this extension of the UM, firms start their business by identifying the knowledge needed for the opportunities, and identifying the relationship that can provide them with the knowledge required to exploit those opportunities. By establishing the relationship with the source of knowledge, firms have more chances to discover, and even create opportunities. The increased knowledge volume can then affect their trust in, and commitment to the relationship, thereby prompting them to take actions to change their position in the network.

Although the UM has already been applied in international business research for over 40 years, its application in export channel selection is rare. The limited number of studies seems to support the UM in predicting channels. As different export channels can be seen as different network structures, their abilities vary in offering firms the knowledge to exploit and create opportunities in foreign markets. Therefore, firms need to analyse and identify the knowledge they need in order to make a better selection of export channel in order to benefit from the channel relationship. Correspondingly, factors such as foreign market knowledge, potential of export market, and cultural distance are found to be positively related to the selection of an integrated channel (Eriksson et al., 2006). Hence, when firms have enough resources to commit, they are less likely to use intermediaries such as agents.

Although current UM-based export channel research provides support for the use of the model, there remains a lack of development in the application of the framework. According to both the original version and new development of the UM, there should be an outcome, such as changes of the mode/relationship, once a firm acquires new knowledge (Johanson & Vahlne, 2009). Therefore, the application of the UM deserves more attention as the model not only explains why firms will choose a particular export mode, it also offers a chance to explain the dynamic changes in firms' channel selection.

Resource-based View. The RBV (which here also includes organisational capabilities theories) is a relatively new framework used by five studies to explain a firm's export channel strategy and performance (e.g., He et al., 2013; Kalinic & Brouthers, 2015). Some studies suggest that entry decisions like exporting should not be viewed in isolation or solely as a cost-reducing process, but should rather be considered as an important aspect of the firm's overall strategic posture (Hill, Hwang, & Kim, 1990; Peng, 2001). The RBV offers a value creation perspective on the mechanism behind export channel selection.

The RBV suggests that sustainable competitive advantages (SCA) come from a firm's valuable, rare, imperfectly imitable, and non-substitutable resources and capabilities (Barney, 1991; Barney et al., 2001). According to the resource-structure-performance perspective, firms can select an organisational structure to maximise the utilisation of their special resources in order to achieve superior performance (Barney, 2001; Brouthers, Brouthers, & Werner, 2008b; Ray, Barney, & Muhanna, 2004). As the export channel is such a structural arrangement, exporting firms should select an export channel that fits the exploitation need of the resources/capabilities in order to benefit from the SCA (Barney, 2001; Brouthers et al., 2008a; Ray et al., 2004).

Though a mature theory, RBV as a means of analysing export channel selection remains

under-utilised. Reid (1983) notes that the resources and capabilities required to handle an export order can influence the choice of exporting structure. This assumption is supported by many later studies as several resource-based variables, such as resource availability, intangible assets, experience, foreign market knowledge, commitment, have been linked with export channel selection (e.g., Burgel & Gordon, 2000; Campa & Guillén, 1999; Rialp et al., 2002). However, most of the research in this area takes the approach of constructing frameworks using TCA and focusing on the transaction efficiency brought by resources, to the exclusion of considerations regarding performance.

The application of RBV as a theoretical underpinning for export channel research was rare before 1998, when Peng and Ilinitich (1998) conducted the first qualitative study explicitly for the conceptualisation of export channel analysis. In this case, a good example of an attempt to conceptually link channel selection with performance was offered.

Although research of export channel selection has remained under the heavy influence of TCA in the last 15 years (see Table 1), scholars such as Burgel and Gordon (2000) and Li and Li (2003) have noticed the importance of organisational resources in export channel selection. Ekeledo and Sivakumar (2004) undertook one of the earliest empirical studies to use the RBV as the main framework to explain how the organisational resource base, such as proprietary technology, business experience, complementary resource influence export channel structure. However, their study did not provide support for the findings of Peng and Ilinitich (1998) as no performance implementation is provided. In recent years, there has been an increase in RBV-based research. Five studies we reviewed are based on RBV, three of which consider performance implementation of export channel selection by showing the performance-enhancing effect of the match between resources and channel arrangement. For example, He et al. (2013) and Kalinic and Brouthers (2015) identify the role of two firm-

specific capabilities (i.e., market orientation and entrepreneurial orientation) in choosing a certain export channel, in benefiting a firm's export operation.

As noted by He et al. (2013), the RBV suggests that firms' resources/capabilities should be deployed appropriately for better performance and, hence, exporting firms should organise their resource base in a way that garners value. Since export performance will be enhanced when the firm considers the fit between resources and export channel (Barney et al., 2001; Fernández-Olmos & Díez-Vial, 2015), it is important for future research to pay more attention to other types of resources/capabilities and how these can be structured in exporting operations to create more value.

Institutional Theory. The recent development of institutional theory has drawn researchers' attention to the effects of institutional forces, in addition to the industry structure and organisational resources base, on business strategy and performance (e.g., Chelariu et al., 2006; He et al., 2013; Peng, 2002).

Institutional theory implies that institutions can play an important role in restricting and affecting the behaviour of organisations (Scott, 1995). Therefore, firms have to make a particular strategic choice that they use to conform to institutional requirements, which will help enhance their legitimacy and chances of survival (Oliver, 1991b; Peng, Wang, & Jiang, 2008; Scott, 1995).

There are three types of institutions: (1) regulative institutions, covering the rules and laws to ensure stability and order in society; (2) normative institutions, including values and norms governing people's behaviour; and (3) cognitive institutions that cover the rules concerning the nature of reality and the frames through which this is interpreted (DiMaggio & Powell, 1991; Scott, 1995). International firms face pressures in at least two institutional environments (the home country, and the market country) for conformity (Xu, Pan, &

Beamish, 2004). They must, therefore, respond strategically to the institutional challenges both at home and in the target markets, and overcome the institutional distance between the two (Berry, Guillén, & Zhou, 2010).

In export channel research, institutional theory's logic implies that a firm chooses a particular export channel not merely based on principles such as minimising transaction costs or realising value of its resources/capabilities, but also as a response to institutional forces for conformity (He et al., 2013). Due to the institutional restrictions, the value of particular resource/capabilities might be limited in certain markets (Brouthers et al., 2008b) and the cost of applying particular channel structure will change (Campa & Guillén, 1999), which will then jointly influence their performance in an export market (Davis, Desai, & Francis, 2000). Therefore, firms have to choose a certain channel structure that helps them gain legitimacy and maintain competitiveness (Scott, 1995).

Some earlier work has observed the influence of national difference on export channel selection (e.g., Anderson & Coughlan, 1987; Klein & Roth, 1990). Campa and Guillén (1999) are the first to consider and test the influence of institutions on export channel selection, revealing a negative relationship between institutional constraints and the use of wholly-owned proprietary distribution channels. However, most of these studies do not explicitly relate the differences to institutions, but consider institutions from the perspective of TCA. As a result, how firms arrange their exporting operations to garner value from their resource base and address institutional challenges in order to boost export performance was ignored. Some studies explore export channel selections from an institutional-based view, but they do not include institutions as a key factor in their construct. For example, whilst Hessels and Terjesen (2010) note the usefulness of institutional factors, the institutions' impact on export channel selection is far from clear.

He et al. (2013) is one of the earliest studies to explore the drivers and consequence of export channel selection from an institutional-based perspective and identify the moderating role of institutional distance on the resource-base and channel structure link. Their study also provides normative value by theorising and testing how the alignment of organisational resources, structure, and institutional constraints enables an exporting firm to create more value. Kalinic and Brouters (2015) extend this line of research by looking at the roles of the formal (regulative) and informal (normative/cognitive) institutions in export channel selection. Compared with a theory such as TCA, institutional theory sheds light for both managers and researchers on why firms use different strategies in different countries. Additionally, this theory offers a fresh way of assessing and responding to the influence of institutional issues, such as the gap between home country and export market (Peng, 2002).

In summary, multiple theoretical bases have been utilised in export channel selection research. Although TCA is useful in explaining the choice of export channel, it receives criticism through its narrow consideration of cost reduction, and its failure to take account of the outcomes of selection. The RBV's logic suggests that export channels can serve as important avenues for the creation and realisation of value in export operations (He et al., 2013). These two theories are simply two sides of the same coin. Besides, firms operating a foreign market need more consideration of the external factors that can make organisational resources more or less valuable and, therefore, firms need to respond to institutional forces by carefully designing export channels that match their resource base and the institutional constraints (He et al., 2013). In addition to these frequently used theories, other theoretical bases such as resource dependence theory, network theory also see support in the paper reviewed, showing a promising direction in explaining firms' channel selection (Hessels & Terjesen, 2010; Sandberg, 2013). Though much has been done so far, gaps remain in this field. For instance, the use of additional theories such as upper echelon theory could help

advance knowledge in the area by providing a new perspective (Brouthers & Hennart, 2007; Nielsen & Nielsen, 2011). Through the utilisation and integration of different theories, we can expect the knowledge and understanding of export channel selection to move forward to a broader scope and a wider range for both academia and practice.

2.3. Methodological characteristics of the studies reviewed

We employ three dimensions to evaluate the research methodologies used in the studies under review, these being fieldwork characteristics, sampling and data collection, and statistical methods. Table 3 summarises the descriptive properties of the 47 studies reviewed.

(Insert Table 3 here)

2.3.1. Fieldwork characteristics

The majority of studies use data collected from a single country/region. North America attracts the most attention (ten studies were conducted in the USA, seven in Canada and one study focusing on North America as a whole region). Outside North America, Spain receives most focus (8), followed by Hong Kong (3), New Zealand (3), Sweden (3), UK (3), France (2), Japan (2), and Netherlands (2). China, Denmark, Finland, Germany, Korea, Switzerland, Singapore, Italy, Norway, Tunisia, Turkey, and Vietnam each see one study. Seven studies use data from more than one country/region. It is surprising that very limited research has been done on the export channel strategy of firms from emerging economies (e.g., He et al., 2013; Khemakhem, 2010), despite the fact that these economies, especially the BRICS (Brazil, Russia, India, China, and South Africa), are becoming increasingly involved in the global economy.

A total number of 29 studies reviewed consider all sizes of firm. Among the rest, fourteen studies focus on small and medium-sized enterprises (SMEs), while another four

studies look only at small firms. However, the terms ‘small’, ‘medium’ and ‘large’ have varied definitions in different countries (Sousa et al., 2008). For example, the European Union defines SMEs as those firms with up to 250 employees (European Union European Union Commission, 2003), while the cut-off in the USA is 500 (US International Trade United States International Trade Commission, 2010). Moreover, there is a difference in the use of small firms and SMEs, since small firms simply refers to firms with up to 50 employees while SMEs also include medium sized firms with up to 250 employees (European Union European Union Commission, 2003). Therefore, researchers should take special care in interpreting empirical findings related to firm size.

2.3.2. Sampling and Data Collection

A total of 32 studies reviewed use survey for data collection. Ten studies use databases, and only five studies conduct interviews. Questionnaire surveys are popular because they can provide more specific information on the antecedents of channel selection (Katsikeas, Leonidou, & Morgan, 2000). While databases may lack this ability, the advantages include time and financial efficiency, increased accessibility, feasibility of both longitudinal and international comparative studies to gain new insights (Ghauri & Grønhaug, 2005).

In respect of those studies using a survey methodology, with the exception of one study that did not provide information on sampling, the sample size ranges from 51 to 2,000, with a mean of 650 and a median of 470. The average sample sizes of studies using interviews and databases are 39 and 21,374 respectively. For studies with a relatively small sample size, the external validity and generalisability are questionable as the sample may “not be representative of the population and it also limits the use of adequate statistical analysis to test the relationship” (Sousa et al., 2008: 349).

The average response rate of the survey studies is 45.96% (with the exception of one

study that did not provide information on sampling). Noticeably, the cross-country studies using survey report a relatively lower response rate of 33.2%, indicating the difficulty in obtaining information from more than one country.

The analysis levels and units of channels and, therefore, data collection unit, vary among the studies reviewed. Twenty-six studies are at export venture-level and gathering data on the channel used for a product and/or a foreign market. Among them, eight studies examine the channel used for the most important product in the most important market (e.g., He et al., 2013; Klein et al., 1990), while another seven studies consider the channel for a given product in a given foreign market (e.g., Klein, 1989; Klein & Roth, 1990). Seven studies examine the channel used in a given market (e.g., Eriksson et al., 2006; Parente et al., 2010). Two studies look at the channel used for the most familiar/most experienced market (Aulakh & Kotabe, 1997; Sandberg, 2013). The channel used for a given product (Ramaseshan & Patton, 1994) and the channel a firm uses to export to the most important market(s) (Burgel & Gordon, 2000) see one study each.

Seventeen studies use firm as the unit of analysis, looking at the firms' general channel decision(s) made for exporting in foreign markets (e.g., Arranz & De Arroyabe, 2009; Dung & Janssen, 2015; Fernández-Olmos & Díez-Vial, 2014).

Besides these 43 studies, four studies do not provide clear information of the unit of analysis (Brady & Bearden, 1979; Serrano & Acero, 2015) or use congregate data that are neither firm-level or venture-level (Peng et al., 2006; Trabold, 2002).

Researchers suggest that venture-specific and firm-level variables may not be equally effective in influencing export strategy because a venture can have quite different characteristics such as resource base compared with other ventures and firms (Cavusgil & Zou, 1994; Oliveira, Cadogan, & Souchon, 2012; Sousa et al., 2008). Effects found in

venture-level studies might not be significant for the firm-level context as it is too specific for the general application, and vice versa (Cavusgil & Zou, 1994; Oliveira et al., 2012).

Therefore, both academics and managers should take care concerning the unit of analysis when applying findings from different level of analyses.

For survey and interview studies, export managers are the most selected key informants, followed by CEOs, owners of firms, and managing directors. Four studies do not clearly provide the detail of key informants. All survey-data studies use self-report questionnaires to collect data at the same time from the same respondents, causing concerns of common method variance (CMV) which creates a false internal consistency among variables from their common source. CMV can reduce the correlation between systematic error components, average out random errors in individual responses, and analyse and correct systematic errors in informants' responses. The problem is greater when both the independent and dependent variables are perceptual measures derived from the same informants. However, only three studies are aware of the problem of CMV and apply methods such as Harman's single-factor test or confirmatory factor analysis (CFA) to assess CMV (Aulakh & Kotabe, 1997; He et al., 2013; Kalinic & Brouthers, 2015). Hence, there is a concern in the existing export channel selection literature regarding the ability of studies to effectively assess the correlations between variables (Chang, Van Witteloostuijn, & Eden, 2010; Podsakoff, MacKenzie, Lee, & Podsakoff, 2003).

For the five empirical studies using quantified interviews to collect data, multiple case study method is commonly used. Unlike survey studies, interview-based research can conduct interviews with more than one respondent within each firm/venture if needed (e.g., Anderson & Gatignon, 1986). Triangulation method is also applied to validate the measures as more independently rated measures are less subject to CMV (Chang et al., 2010; Podsakoff

et al., 2003; Podsakoff, MacKenzie, & Podsakoff, 2011). For example, three studies combine data sources with empirical interview data from different channel members and secondary sources from industry reports and internal documents (Gabrielsson & Gabrielsson, 2011; Li, 2002, 2004). Among the five interview studies, four use content analysis to vote counting, analyse and compare the data within-case and cross-case to validate the proposed channel selection relationship, while Anderson and Gatignon (1986) use regression analysis to test their hypotheses.

2.3.3. Statistical Analysis

Over half of the reviewed studies adopt regression analysis. Correlation analysis is the second preferred method of analysis (4), followed by ANOVA (2), structural equation modelling (SEM) (2), MANOVA (1), bivariate analysis (1), multiple discriminant analysis (1), probit regression analysis (1), and two-way contingency table analysis (1). Being the most popular analysis method, regression analysis offers a simple and convenient way to measure the sample and predict the direct causal relationship between variables (Cooper, Schindler, & Sun, 2006). Compared with the multivariate techniques such as regression analysis, the more advanced methodology like SEM is used in only two studies (Cho & Tansuhaj, 2013; Li & Li, 2003). Although regression is an advanced analysis method compared with correlation analysis and descriptive analysis, it remains limited when dealing with issues such as multiple independent variables and the indirect effect between variables (Cooper et al., 2006; Zou & Stan, 1998). Therefore, more advanced methodology is required when a more complex model is considered.

3. Discussion and Implications

In general, the vital role of export channel selection in exporting has been acknowledged academically and practically (e.g., Anderson & Coughlan, 1987; Klein & Roth, 1990; Trabold, 2002). Our review indicates that in the past four decades, research in this area has made slow but steady progress in the following areas: (1) data on channel decisions are more available for researchers; (2) more studies have used conceptual models and theories to guide their hypothesis development rather than presenting propositions simply based on reasoning; (3) important theories are introduced and developed in studies, and more new theories are combined with those existing to deepen our understanding; and (4) new determinants of export channel strategy have been proposed and identified. Such progress significantly advances our knowledge and understanding in this field, as some ideas are consolidated and new ones established.

Despite the advancement made by the current literature and the increasing interest in this topic, however, research in the area remains at a relatively early stage of development, and more effort is needed to bring maturity to our understanding of export channel strategy (He et al., 2013; Peng et al., 2006). Hence, there is still a long way to go in research design, theory development, and analytical techniques to secure the best means of pursuing questions relating to this issue. How to build research on a stronger theoretical foundation that will systematically explain the selection remains a serious challenge. Additionally, many of the studies reviewed show disagreement on a good number of aspects, suggesting that there is still much space for improvement of research on the export channel decision.

3.1. Theoretical Issues

The theoretical basis in export channel selection research can go much further. First, more research is needed to consider the performance outcome of channel selection. Only

eight studies (17% of the studies) looked at performance implication of export channel selection (e.g., He et al., 2013; Kalinic & Brouthers, 2015; Parente et al., 2010), showing that most studies have overlooked the important aspect of export channel selection – its consequence. The resource-structure-performance perspective (Barney et al., 2001; He et al., 2013) provides a good theoretical mechanism by suggesting that firms need to organise resources in order to accumulate more value. Since firms' objects or co-ordination across different export markets and their willingness to commit to different resources “goes far beyond the efficiency consideration of cost minimisation” (Aulakh & Kotabe, 1997: 167), export performance can be improved by both cost reduction and the effective deployment of market orientation capabilities aligned with export channel structure. As export channels are such a structure that effective positioning of resources can contribute to greater rent (He et al., 2013), future research needs to go further by considering not only the cost-oriented but also the value-creating approaches in selecting the export channel to improve our understanding of how export channel selection affects export performance.

Second, the application of the RBV in export channel selection can be improved by including more resources. A promising route to extend the RBV in export channel research is to extend the identified capabilities, e.g., market-oriented capabilities (He et al., 2013), and entrepreneurial-oriented capabilities (Kalinic & Brouthers, 2015), to explore the effect of other highlighted capabilities in the export literature such as relationship capabilities, marketing capability, pricing capabilities (e.g., Lages, Silva, & Styles, 2009; Sousa et al., 2008; Zou, Fang, & Zhao, 2003). The addition of a dynamic dimension can be helpful as firms' resources can be unsustainable for lasting competitive advantage (Eisenhardt & Martin, 2000). The organisational and strategic routines that integrate, reconfigure, gain and release resources to meet the environmental change can bring new competitive advantages for firms (Barrales-Molina, Martínez-López, & Gázquez-Abad, 2014; Eisenhardt & Martin,

2000; Teece, Pisano, & Shuen, 1997). Hence, it is worth investigating how an adaptive and dynamic resource base contributes to an exporting firm's long-term competitive advantages through its deployment in the export channel.

Third, institutional theory can be applied to a greater degree. Institutions and institutional distance are among the key drivers of strategy and performance (Peng et al., 2008). Unlike TCA or the RBV, the application of institutional theory in export channel strategy research is just beginning. Furthermore, with one exception (Kalinic & Brouthers, 2015), most institution-related studies either fail to follow the widely accepted theoretical frameworks of North (1990) (formal and informal institutions) or Scott (1995) (regulative, normative and cognitive institutions) (e.g., Campa & Guillén, 1999), or have mixed different components of institutions into congregated variable(s) (e.g., He et al., 2013). Future research should systematically examine how different aspects of institutions influence exporting firms' channel strategy. For example, the moderation effect of regulative, normative and cognitive institutional differences on export channel selection deserves future inquiry as these institutions' characteristics and legitimate requirements are different (Suchman, 1995). Therefore, the degree to which they can affect the exploitation of certain resources/capabilities can also vary.

In addition to the distance, institutional profile of home/host country should be investigated separately as they have different effect compared to institutional distance. Despite the barriers brought by the differences of institution environment, the effect of the local institution profile in home and host country are also important (Van Hoorn & Maseland, 2016). Firms' exporting operations and performance are subject to not only host country's institutions, but also the home country's institutions, for example, government support (Brouthers, 2002; Brouthers & Hennart, 2007; Meyer, Estrin, Bhaumik, & Peng, 2009).

Therefore, the different roles of home and host institutions can be another promising direction for IT's application in export channel selection.

Fourth, the use of resource dependence theory (RDT) should be considered as a means of strengthening the theory. RDT highlights the impact of an organisation's external resources on the organisation's behaviour (Hillman, Withers, & Collins, 2009; Pfeffer & Salancik, 1978). According to RDT, in order to reduce environmental interdependence and uncertainty, firms try to increase their own power over others to control the vital resources by actions such as obtaining resources from other actors (Hillman et al., 2009; Pfeffer & Salancik, 1978; Ulrich & Barney, 1984). However, when a firm has limited organisational autonomy to control the usage and allocation of the resources that are beyond its boundaries, its performance can be affected (Oliver, 1991a). Therefore, firms need to select an appropriate inter-organisational arrangements, like channel structure, to have more "reliable and durable access to the knowledge and resources of partner organisations" (Drees & Heugens, 2013: 1669; Oliver, 1991a). However, existing export channel research that applied RDT (e.g., Hessels & Terjesen, 2010) found limited evidence of how resource dependencies can affect firm's decision to choose particular export channel structure to maximise their control over the important resource and compete effectively in export markets. A promising direction for RDT's application in export channel selection can be the integration of the RDT and other theoretical bases (Hillman et al., 2009). For example, integrating RBV and RDT can strengthen both theories and offer new insights into the ways in which firms use export channels to reap the value from both internal and external resources (Drees & Heugens, 2013; Hillman et al., 2009). In addition, integrating the RDT and institutional theory through looking at the moderating effect of institutional factors can generate a comprehensive understanding of how exporting firms use export channel arrangements to source external resources in order to address institutional challenges (Drees & Heugens, 2013; Peng, 2004;

Pfeffer & Salancik, 1978).

Fifth, further exploration of the use of network theory in export channel selection can be promising. Network (social network) is very important for firms as it affects organisational competitiveness through providing them with valuable assets (Brouthers, Geisser, & Rothlauf, 2016; Domurath & Patzelt, 2015; Johanson & Mattsson, 2015). Networks help firms to identify potentially valuable opportunities, trigger foreign market selection and entry, and reduce uncertainty about foreign market (e.g., Brouthers, Geisser, et al., 2016; Coviello, 2006; Sharma & Blomstermo, 2003). The more networks a firm has, the more value and knowledge will arise from these ties that offer them competitive advantages in foreign operation (Domurath & Patzelt, 2015; Johanson & Vahlne, 2009; Musteen, Francis, & Datta, 2010). However, in addition to the current application of network theory made by Sandberg (2013), limited attention is given to how networks influence export channel selection. Further exploration is needed to enrich our understanding of export channel selection from a network perspective.

For example, the goal of a firm in a particular network relationship can determine what kind of strategy it will use to achieve its goal and affect the kind of network it will enter into. Liability of outsidership (LoO) can be an interesting direction of applying network theory in export channel selection (Johanson & Vahlne, 2006, 2009). Overcoming outsidership and gaining insidership in relevant networks is necessary for successful internationalisation (Johanson & Vahlne, 2009). In order to overcome the LoO when exporting to a new foreign market with which they are unfamiliar, firms can choose a non-hierarchical channel structure that allows them to minimise the set-up costs and concentrate on developing networks to become an insider and blend into the local network (Brouthers, Geisser, et al., 2016; Johanson & Vahlne, 2009). Moreover, the problem of autonomy can affect firm's export

channel selection, as firms that seek more autonomy from network partners might choose to set up their own sales operation or marketing office instead of cooperating with other channel partners (Brouthers, Geisser, et al., 2016).

Sixth, upper echelon theory (UE) (Hambrick, 2007; Hambrick & Mason, 1984) can also provide a conceptual base to enrich our knowledge of export channel selection. Different organisational structures can affect the effectiveness of the TMT through different types of leadership processes in decision-making (Wang, Waldman, & Zhang, 2014). Although existing export channel selection studies show awareness of the importance of the TMT in the channel decision (Carazo & Lumiste, 2010; Dung & Janssen, 2015), the role of the TMT still worth exploration. For example, the ownership type can affect the power of the TMT in decision-making (Pinho, 2007). In some emerging countries like China, the power of the TMT in deciding the strategic action of a firm varies between state-owned company and private especially family owned businesses (Cui & Jiang, 2012; Liang, Wang, & Cui, 2014). Also, due to the different strategic orientation of various types of firms, the degree to which the demographic characteristic, e.g., the TMT's education, age, and experience, affects the object of the firms' goal or action in exporting can also be different as well (Pinho, 2007). Consequently, export channel selection based on TMT predictions can be conditioned.

In addition, enquiries are needed to explore TMT's role in dynamic changes of channel selection. Since the characteristics, resources, and even the competing context of a particular venture will change over time (Johanson & Vahlne, 1990), TMT who are in charge of the whole organization may not necessarily know the details for the venture-level decision making compared with the managers of ventures (Cavusgil & Zou, 1994; Morgan, Katsikeas, & Vorhies, 2012). Therefore, when a venture switches to a different channel mode (e.g., from using company-owned sales force in the home country to deploying their sales force in export

markets), the competitive advantages provided by TMT members will be limited.

3.2. Methodological issues

Export channel research can benefit from considering and addressing the following methodological issues. First, inconsistency exists across the literature in respect of the unit of analysis (i.e., firm level vs. venture level) as 55% of study looking at venture-level channel selection while the rest 45% looking at either firm-level selection (36%) or did not provided clear details about the level of analysis (9%). An exporting firm may consist of a number of export ventures, which have a line of products for a particular foreign market (Oliveira et al., 2012; Sousa et al., 2008). When using venture as the unit of analysis, scholars can gain deeper insights into more “concrete and manageable key success factors” in exporting (Sousa et al., 2008: 350) and indicate the determinants of a specific strategy for a specific product/market in the same firm (Douglas & Wind, 1987). However, many theories and measurements are developed for firm-level analysis (Oliveira et al., 2012). Due to the heterogeneity of different ventures, their characteristics, required resources for exporting, and actions taken in response to institutional requirement vary (Cavusgil & Zou, 1994). Therefore, the firm-level factors will be too general for guiding the channel selection in different export ventures. Hence, we suggest future export channel selection research to give more attention to venture-level analysis and more specific determinants.

Second, our literature review also indicates some weaknesses in the area of statistical analysis. The most common analysis technique used, regression analysis (68% of the total studies), is capable of evaluating the model between a scalar variable and one or more explanatory variables separately in sequential steps. Compared with regression analysis, a more sophisticated approach, such as SEM, has advantages including flexibility as it deals not only with a single simple or multiple regression, but with a system of regression

equations (Alavifar, Karimmalayer, & Anuar, 2012; Gefen, Straub, & Boudreau, 2000). It enables researchers to measure direct and indirect effects and perform test models with multiple dependent variables as well as using several regression equations simultaneously (Cooper et al., 2006; Gefen et al., 2000). As more studies begin to look at the indirect effects, such as moderator and mediator in export channel selection (see Table 1), the application of advanced multivariate techniques such as SEM can provide powerful statistical help when detecting the role of the observed or latent variables in a complex model.

Third, common method variance (CMV) is an issue that demands attention when using survey and/or quantified interviews for data collection. Only 6% of the studies looked at this problem (Aulakh & Kotabe, 1997; He et al., 2013; Kalinic & Brouthers, 2015). Although these include popular testing methods such as Harman's single-factor test or confirmatory factor analysis, which are viewed as more sophisticated tests for addressing the CMV issues (Meade, Watson, & Kroustalis, 2007; Podsakoff et al., 2003), recent scholarship finds these methods insufficient (Chang et al., 2010; Podsakoff et al., 2003). To avoid or reduce CMV, the best way is to control it in the *ex-ante* research design stage (Chang et al., 2010). Researchers should take two *ex-ante* approaches in research design by: (1) using multiple informants to collect the measures of predictor and criterion variables from different sources; and, (2) carefully designing and administering the questionnaire (Chang et al., 2010; Podsakoff et al., 2003). More fact-based questions can reduce the possible appearance of CMV (Chang et al., 2010). Additionally, improving the construction of the scale items can help to minimise the method biases (Podsakoff et al., 2003). Manipulating the order of the questionnaire items can also reduce respondents' cognitive observations of the correlation between items. The following *ex-post* statistical methods to identify or remedy CMV are also useful: estimating the CMV and its effect based on the correlation between the marker variable and the unrelated variable (Lindell & Whitney, 2001; Malhotra, Kim, & Patil, 2006);

specifying the relationship among the dependent and independent to make it complex (Chang et al., 2010); and, a combination remedy of multiple approaches such as partial correlation procedure and direct measure of a latent common method factor (Chang et al., 2010; Podsakoff et al., 2003). Future studies using survey and/or quantified interviews should follow these procedures to avoid CMV if it is not possible to obtain information from multiple respondents from single organisations.

Fourth, measurement issue for cultural/institutional distance should draw more attention from export channel scholars. Distance is a popular factor in export channel selection research as nine studies (19% of total studies) included it as an antecedent or a moderator (e.g., Eriksson et al., 2006; He et al., 2013; Kalinic & Brouthers, 2015). However, recent research has highlighted the problem associated with culture/institutional distance research (Brouthers, Marshall, & Keig, 2016; Van Hoorn & Maseland, 2016). As mentioned in section 3.1, there is a distinction between distance and country profile and they should be treated separately. Many studies tended to consider distance to/from a single or culturally/institutionally homogenous set of countries. This selection of single reference point creates problem of conflation of distance effect and profile effect, which can make the mechanism behind any observed effect of culture/institution on export behaviour unclear and lead the findings to be in doubt (Van Hoorn & Maseland, 2016). To address the problems brought by the single-country sample, future studies can use multiple reference points when design the research. For example, the two-country solution that selects samples that comprised of at least two home/host countries where most of the dimensions for the two countries are different is helpful in eliminating the problems brought by the confounded variables (Brouthers, Marshall, et al., 2016). Also, including measures for cultural/institutional profile can help distance studies separate distance and profile effects (Van Hoorn & Maseland, 2016). With these efforts, future study can ensure that the

cultural/institutional distance they examined is really the distance they want to measure.

3.3 Practical implications

In addition to the conversation with the academic community, managers can benefit from our review in three ways. First, the summarised and identified frameworks provide a useful map to evaluate and improve firms' export channel selection. Firms can choose guidance based on different theoretical lenses to achieve and enjoy target benefits. For example, if the main goal of a firm's operation in the export market is efficiency enhancement, TCA-based analysis and factors related to asset specificity, uncertainty and frequency can offer them clear ideas of which channel to choose. If better exploitation of the resources to create competitive advantage is the aim of exporting firms, the resource-based selection will be helpful.

Second, the importance of export channel choice is highlighted in this research as it serves as a platform for the exporting firm to realise the value of its resources, and to react to the institutional challenges such that it can successfully operate in export markets. As the functions of different channel structures vary, the way a firm can organise the exploitation of resources and respond to institutional pressures is different. Therefore, a careful analysis of the internal and external characteristics using RBV and IT analytical methods can enable the managers to select an appropriate channel, which, in turn, enhances the export performance.

Third, by using the identified moderators, managers can better understand the conditions of applying certain channel selection. As mentioned in 3.1, factors such as the characteristic of the product, country risk, firm size and institutional distance not only have a direct impact on export channel selection but also serve as a moderator concerning the relationship between other antecedents and particular export channel selection. Therefore, when using capabilities such as TCA-based or RBV-based factors as the main influencing factors in export channel

selection, managers should consider the identified moderators and other potential moderators such as market orientation and the influence of ownership that might create barriers or release the conditions to select the appropriate channel for better export operation.

3.4 Directions for new ideas in export channel selection research

A number of new areas hold promise for advancing our knowledge. First, research on emerging market firms can be beneficial. Only eight studies use data from emerging markets, such as Hong Kong (3), China (1), Colombia (1), Tunisia (1), Turkey (1), and Vietnam (1). In recent years, emerging markets with institutions and cultures that are different from developed economies have become active exporters (Sousa et al., 2008). They are very important as home to over 80% of the world's population and represent over 45% of world trade (European Central Bank, 2016). Firms from these countries will face more challenges such as the lack of superior resources and increased institutional differences, which create barriers and concerns when designing their export channel strategies (Brouthers et al., 2008b; He et al., 2013; Peng et al., 2008). These barriers and concerns offer a good chance for the further application of theories such as RBV and IT as these issues are more urgent for firms in emerging countries than those in developed countries (Meyer & Peng, 2016; Peng et al., 2008). Hence, more research inquiry is needed to reveal how exporting firms from emerging markets, such as the BRICS, employ their resources and arrange exporting strategies to tackle institutional challenges in target markets from different theoretical perspectives.

Second, future study can undertake more inquiry into the application conditions of the antecedents of channel selection. Some studies include the moderating effect of exploring the mechanism behind export channel selection. For instance, factors such as inseparability of the offering, country risk, and firm size are identified to positively moderate the relationship between asset specificity and the selection of a share-control channel while capital intensity and cultural distance lack significant empirical support. Also, when integrating IT with RBV,

He et al. (2013) and Kalinic and Brouthers (2015) found that institutional distance can moderate the relationship between certain capabilities such as market orientation and entrepreneurial orientation and the selection of hierarchical channel significantly. However, in addition to the over 100 antecedents to export channel selection we have identified in our review, only five studies consider the impact of moderators on export channel selection (e.g., He et al., 2013), thereby showing this as an area seriously lagging behind in theoretical advancement (e.g., Brouthers, Nakos, & Dimitratos, 2015). RBV suggests that the resources/capabilities can interact to create more value (Barney et al., 2001; Sun, Wright, & Mellahi, 2010). Thus, the impact of certain capabilities such as entrepreneurial orientation on export channel selection can be conditioned by the level market orientation a firm obtained (Baker & Sinkula, 2009; Frishammar & Åke Hörte, 2007). Moreover, institutional theory suggests that companies' reactions to institutional pressure vary across ownerships (Meyer, Ding, Li, & Zhang, 2014). Therefore, state owned or private ownership might moderate the relationship between the impacts of foreign institutions on export channel selection. Future research needs to pay more attention to exploring not simply the new antecedents and their direct effect but, also, the conditions under which a certain channel is selected.

Third, scholars notice a growing emergence of multiple channels used in exporting. For example, partially integrated channels are popular in eastern Asian countries, for example South Korea and Japan, and its popularity is increasing in countries including the United States (Hoppner & Griffith, 2015; Kim, McFarland, Kwon, Son, & Griffith, 2011). Therefore, the complexity of new channel structures requires firms to have a better analytical approach to enable them to select the appropriate export channel and secure better co-ordination capacity and, consequently, there should be greater inquiry into the drivers of these more complex channel structure decisions.

Fourth, governance or management consequences of previously selected channels can

also advance our knowledge of export channel selection. The practise and experience from the consequences of previously channel governance or management can make export firms more knowledgeable in selecting or avoiding the same kind of channel structure (Chelariu et al., 2006; Rambocas, Meneses, Monteiro, & Brito, 2015; Solberg & Nes, 2002). Future study taking the previous practise in export channel governance or management can provide more comprehensive view of export channel decision making.

Fifth, the dynamism of export channel selection worth more attention. The characteristics, resources, and even the competing context of a particular venture will change over time (Johanson & Vahlne, 1990). Also, ventures will gain more experience and knowledge of their products and markets (Johanson & Vahlne, 2003, 2009). Therefore, some firms will seek for switching to higher commitment channel structure or use export as a springboard of their foreign entry after they made a channel selection (Benito, Pedersen, & Petersen, 2005). Research that focus on the factors that not only impact current selection but also determine future within-mode and between-mode switches can improve our understanding of the reason behind firms' specific channel selection.

Finally, in order to transfer the academic findings into operational practice, an important issue requiring further development and improvement in export channel selection studies is the categorisation of export channels, which needs to be consistent. As presented in Table 2, inconsistency exists in using the typology of export channel structure. This creates confusion and difficulty in comparing research findings. We suggest that future studies apply the typology developed by Klein and Roth (1990) because, compared with the direct/indirect or integrated/independent categorisation, the different roles and involvement of firms and other external organisations such as distributors and agents are clear in the market-, intermediate- and hierarchical mode.

4. Conclusions

Although research on exporting has been fruitful over the last several decades, export channel selection is still an interesting topic that has not been fully explored. More attention from both researchers and managers should be given to this important subject. Undoubtedly, good progress has been made by the research on export channel selection as many important theories have been established and numerous determinants have been identified. However, this review of the export channel selection literature reveals that there remain many limitations in theory development, conceptual issue development, research design and statistical analysis.

Advancement can be made by, for example, introducing more theories that have been applied in other fields of exporting or entry mode selection (e.g., resource dependence theory, upper echelon theory), regarding export channel selection as a value-creation process as well as a cost-reduction method, and by continuing to explore more determinants that are known to affect the export strategy but which are somewhat ignored in export channel selection empirically (e.g., firm's network/relationship, firm's capabilities). Moreover, some important methodological issues deserve attention, such as the consideration of different kinds of data (e.g., single industry data, data from emerging countries), the use of more advanced methods of statistical analysis (e.g., SEM), and the need to take measures to reduce/avoid common method bias when conducting survey research. At the same time, scholars should pay attention to the issue of how they can better transfer their findings into practice in order to provide greater benefit for both academia and practice.

This review sees several limitations that offer new research avenues for peer researchers. For example, we specify our scope strictly for empirical studies in export channel selection. The criteria leave out other important aspects of the export channel so that the relatively

small size of reviewed articles makes a meta-analysis impossible. Future studies can make further reviews by looking at other aspects such as governance or management consequences of selected channels and/or changes towards other foreign entry modes.

Based on current export channel selection research, advancement in this field can only be possible when the aforementioned theoretical and methodological issues are considered and addressed. Through focusing on these issues, the research in export channel selection can move closer to theoretical maturity, methodological rigour, and managerial relevance.

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Table 1. Empirical findings of the study reviewed

Author		Theory ^{ab}	Antecedents ^e	Mediators ^d	Moderators ^{df}	Control Variables ^{de}	Dependent Variable (Channel Selection)	Performance Related
1	Brady and Bearden (1979)	/	Degree of control (+); Foreign market knowledge (+); Selling cost (mix); Effectiveness of selling product (mix); Amount of export paperwork and document required (+)	/	/	/	Direct channel vs. Indirect channel	No
2	Anderson and Coughlan (1987)	TCA	Specific assets (+); Product age (NS); Service requirement (NS); Product differentiation (+); Legal restriction (NS); Used channel (+); Relatedness to principal business (NS); Strength of patent (NS); Competitive behaviour (NS); Cultural similarity (+)	/	/	/	Integrated channels vs. Independent channel	No
3	Klein (1989)	TCA	Channel volume (+); Transaction frequency (+); Asset specificity (+); Complexity (+); Dynamism (-)	/	/	Share channel (+); Destination (+)	Degree of vertical control in export channel	No
4	Klein et al. (1990)	TCA	Channel volume (+); Asset specificity (+); Volatility (mix); Diversity (-);	/	/	Share channel (+); Destination (+)	Hierarchical mode (Foreign) channel vs. Hierarchical mode (Domestic) channel vs. Intermediate mode channel vs. Market mode channel	No
5	Klein and Roth (1990)	TCA	Psychic distance (mix); Export market experience (mix);	Asset specificity	/	Share channel (+)	Hierarchical mode (Foreign) channel vs. Hierarchical mode (Domestic) channel vs. Intermediate mode channel vs. Market mode channel	No
6	Chan (1991)	/	Resource availability, Choice of target market, Firm type	/	/	/	Integrated channel vs. non-integrated channel	Yes
7	Chan (1992)	/	Home country (NS)	/	/	/	Direct channel vs. Indirect channel	Yes
8	Erramilli and Rao (1993)	TCA	Asset specificity (NS)	/	Capital intensity (mix); Inseparability (+); Cultural distance (NS); Country risk (+); Firm size (+)	/	Shared-control mode vs. Full-control mode	No
9	Grønhaug	/	Firm's resource base (-); Management	/	/	/	Company owned	No

Author		Theory ^{ab}	Antecedents ^e	Mediators ^d	Moderators ^{df}	Control Variables ^{de}	Dependent Variable (Channel Selection)	Performance Related
	and Kvitastein (1993)		education (NS); Manager's international experience (NS); Product complexity (NS); Market distance and difference (NS); Foreign sales (mix)				subsidiary (operation) vs. Outside agent	
10	Ramaseshan and Patton (1994)	TCA	Export experience (NS); Export volume (-); International heritage (-); Age of technology (NS); Profit expectation (NS); Product knowledge (NS); Service requirement (+); Past growth of export market (NS); Potential of export market (NS); Market proximity (NS)	/	/	/	Indirect channel vs. Direct channel	No
11	Bello and Lohtia (1995)	TCA	Specific Assets (+); Volatility (NS); Diversity (-); Export volume (+); Export intensity (+)	/	/	/	Non-integrated mode (agent) vs. Non-integrated mode (distributor)	No
12	McNaughton (1996)	TCA	Channel volume (+); Asset specificity (+); Volatility (+); Diversity (NS)	/	/	Product Customisation (+); Destination (NS)	Hierarchical mode (Foreign or Domestic) channel vs. Intermediate mode channel vs. Market mode channel	No
13	Osborne (1996)	TCA	Specific Assets; Export volume; Firm size; External uncertainty; Product differentiation; Service requirement; Cultural similarity; International experience; Used channel; Political factors	/	/	/	Integrated channel vs. Indirect integrated channel vs. non-integrated channel	No
14	Aulakh and Kotabe (1997)	ET	Asset specificity (mix); Country risk (-); International experience (mix); Firm size (NS); Market position strategy (NS); Global integration strategy (+); Differentiation strategy (mix)	/	/	/	Hierarchical mode channel vs. Intermediate mode channel vs. Market mode channel	Yes
15	Campa and Guillén (1999)	TCA	Intangible assets (+); Product differentiation (+); Resource availability (+); Export commitment(NS); Development level of competitor's host country (NS); Potential of export market (+); Institutional and cognitive constraints (+)	/	/	/	Internalized channel vs. Shared-control channel	No

Author		Theory ^{ab}	Antecedents ^e	Mediators ^d	Moderators ^{df}	Control Variables ^{de}	Dependent Variable (Channel Selection)	Performance Related
16	Burgel and Gordon (2000)	SM, TCA, OC	Firm size (+); International experience (NS); Manager's international experience (NS); Used channel (+); Product technology age (NS); Product customisation (+); Service requirement (NS)	/	/	R&D intensity(NS)	Intermediary channel vs. Direct channel	No
17	Rialp (2000)	TCA	Channel volume (NS); Product line (NS); Production technology (mix); Specific Assets (+); Assets technological intensity (mix); Product differentiation (mix); Service requirement (mix); Firm size (+); Resource availability (+); Foreign capital (+); Export commitment (+); Cultural similarity (+); External uncertainty (NS); Foreign distribution advantages (+)	/	/	/	Proprietary forms and/or commercial alliances vs. Independent channels	No
18	Kim (2001)	TCA, FA	Transaction-specific assets (+); Service requirements (+); Sales value (+); Foreign market experience (NS); Outside distributor's capability to perform the distribution functions (mix); Age of product (NS)	/	/	/	Integrated channel vs. Non-integrated channel	No
19	McNaughton and Bell (2001)	TCA	Asset specificity (-); Volatility (NS); Diversity (+); Channel volume (-); Product customisation (NS); Destination (NS)	/	/	/	Market mode channel vs. Intermediate mode channel vs. Hierarchical mode channel	No
20	Chung (2002)	/	Firm's characteristics (NS); Product related characteristics (+); Home market position (NS); Potential of export market (NS); Market size of export country (-); Buyers' business mode (+); Industry difference (NS)	/	/	/	Direct channel vs. Indirect channel	No
21	Li (2002)	REP, TCA	Country-specific knowledge; Superior capabilities; Trust; Market growth; Opportunism; Exporter's wish to increase coverage	/	/	/	Market mode channel vs. Intermediate mode channel vs. Hierarchical mode channel	No
22	Li and Ng (2002)	RCP, TCA,	Experiential knowledge (mix), Market turbulence (-); Activity complementarity	/	/	/	Hierarchical mode channel vs. Intermediate	No

Author		Theory ^{ab}	Antecedents ^e	Mediators ^d	Moderators ^{df}	Control Variables ^{de}	Dependent Variable (Channel Selection)	Performance Related
		UM	(+*); Market concentration (NS); Brand power (+); Trust (+*)				mode channel vs. Market mode channel	
23	McNaughton (2002)	TCA	Asset specificity (-); Volatility (-); Diversity (+); Channel volume (NS); Channel Growth (-); Product customisation (NS); Destination (NS)	/	/	/	Multiple channel vs. Single channel	No
24	Merino and Salas (2002)	TCA	R&D activities (NS); Standardised product (NS); Level of customer service (+); Service requirement (NS); Brand (NS); Physical and cultural distance (NS); Scale economies effect (+); Number of employee (NS); National ownership (+)	/	/	/	Proprietary export channel vs. Non-proprietary export channels	No
25	Rialp et al. (2002)	TCA	Firm size (+); Resource availability (+); Foreign investment (+); Structured planning of export activity (+); Product complexity (+); Product differentiation (+); Promotional activities (+); Level of customer service (+); Industrial Sector (+); Specific foreign market knowledge (+); External uncertainty (+); Export Volume (+); Product line (-); Perception of competitive advantage (+)	/	/	/	Proprietary forms vs. Commercial alliances vs. Independent channels	No
26	Trabold (2002)	TCA	Market Distance (-); Product complexity (-)	/	/	/	Indirect channel vs. Direct channel	No
27	Li and Li (2003)	TCA, OC, MC	Asset specificity (+); Country risk (NS); Firm size (+)	/	/	/	Hierarchical mode channel vs. Intermediate mode channel vs. Market mode channel	Yes
28	Ekeledo and Sivakumar (2004)	RBV	Proprietary technology (+); Tacit know-how (NS); Business experience (+); Specialized assets (+); Firm size (+); Organizational culture (+); Company reputation (+); Complementary resource (+);	/	Nature of the product (mix)	/	Sole (Full) control mode vs. Shared control mode	No

Author		Theory ^{ab}	Antecedents ^e	Mediators ^d	Moderators ^{df}	Control Variables ^{de}	Dependent Variable (Channel Selection)	Performance Related
29	Li (2004)	/	Product life cycle; Competition intensity; Differential pricing; Grey marketing; Intermediary power; Broad targeting	/	/	/	Internet channel vs. Export intermediaries	No
30	Eriksson et al. (2006)	UM	Foreign market knowledge (+); Potential of export market (+); Cultural distance (+); International experience (NS); Customer knowledge (NS); Competitor knowledge (NS)	/	/	Firm size (NS); Firm age (NS); Power distance in the country of origin (+)	Integrated channel vs. Non-integrated channel	No
31	Peng et al. (2006)	TCA	Market Distance (-); Product complexity (-)	/	/	/	Direct export vs. Indirect export	No
32	Lau (2008)	TCA	Firm size (+); Firm age (+); Product complexity (+)	/	/	/	Direct channel vs. Indirect channel vs. Multiple channel	No
33	Arranz and De Arroyabe (2009)	UM, INVM	Competitive strategy (-); Reactive strategy (+)	/	/	Industry sector (NS); Firm size (mix); Turnover abroad (mix)	Market channel vs. Cooperative channel	No
34	Carazo and Lumiste (2010)	EM	Firm size (+); Firm age (NS); International experience (+); Age of managers (+); Management education (+); Management international experience (-); Specificity of assets for export (+); Specificity of assets for production (+); Transactions frequency (+); Product diversification (+); Foreign market diversification (-); Stimulus in foreign countries (-); Barriers in foreign countries (+); Sector internationalization level (-)	/	/	/	Direct channel vs. Indirect channel	No

Author		Theory ^{ab}	Antecedents ^e	Mediators ^d	Moderators ^{df}	Control Variables ^{de}	Dependent Variable (Channel Selection)	Performance Related
35	Hessels and Terjesen (2010)	RDT, IT	Perceived favourability of home country (mix); Perceived internationalisation of the operation field (NS)	/	/	Industry (+); Firm size (+); Firm age (-); Resource base (NS); Business owner's education (NS); TMT foreign experience (+); Foreign investors (+)	Indirect channel vs. Direct channel	No
36	Khemakhem (2010)	TCA, UM	Product complexity (NS); Service requirement (-); Promotional activities (NS); Product knowledge (NS); Product adaption needs (+); Management goal (-); Management expectation (NS); Management engagements (NS); Demand condition (NS); Competition condition (NS)	/	/	/	Independent channel vs. Integrated channel	No
37	Parente et al. (2010)	TCA	Cultural distance (NS); Intangible assets (+); Degree of product line concentration (NS); Product complexity (NS);			Firm size (+); Advertising intensity (NS); Year-specific effects (NS)	Direct writing distribution vs. Independent agency	Yes
38	Gabrielsson and Gabrielsson (2011)	UM, TCA	Long-term channel relations	/	/	/	Partner-based channels (indirect, dual, hybrid) vs. Non-partner-based channels (direct)	No
39	Abel-Koch	/	Firm size (-)	/	/	Firm age (NS);	Indirect channel vs.	No

Author		Theory ^{ab}	Antecedents ^e	Mediators ^d	Moderators ^{df}	Control Variables ^{de}	Dependent Variable (Channel Selection)	Performance Related
	(2013)					Product innovation (+); Product quality (-); Strength of patent (-); Contract enforceability (NS); Multinational firms (-); Free trade zone (-); Direct import (-); Indirect import (+)	Direct channel	
40	Cho and Tansuhaj (2013)	TCA	Searching costs (-); Bargaining costs (-); Monitoring costs (-); Product standardisation (+); External uncertainty (+); Institutional influence (NS)	/	/	/	E-intermediary vs. Market intermediary	No
41	He et al. (2013)	RBV, IT	Market orientation (+)	/	Institutional distance (+);	Ownership (mix); Industry (mix); Firm size (NS); Export experience (NS); International experience (NS); Market experience (+); R&D (NS); Frequency (NS); Asset specificity (+); Internal uncertainty (NS); External uncertainty (NS); Market size (NS)	Hierarchical channel channel vs. Hybrid (Intermediate)	Yes

Author		Theory ^{ab}	Antecedents ^e	Mediators ^d	Moderators ^{df}	Control Variables ^{de}	Dependent Variable (Channel Selection)	Performance Related
42	Sandberg (2013)	NP	Societal Knowledge (+); Business network knowledge (+); Customer-specific knowledge (+)	/	/	/	Hierarchical mode (Foreign) channel) vs. Hierarchical mode (Domestic) channel vs. Intermediate mode channel vs. Market mode channel	No
43	Fernández-Olmos and Díez-Vial (2014)	TCA, RBV, UM	Firm size (+); Intangible Resources (mix); Product quality (+); International experience (+)	/	/	Business group affiliation (+); Firm age (NS)	Direct channel vs. Indirect channel	No
44	Dung and Janssen (2015)	PDp	Psychic distance (NS); Entrepreneurs' age (-); Entrepreneurs' education (+); Entrepreneurs' international experience (NS); Entrepreneurs' social ties (NS)	Entrepreneurs' actual behavioural control (NS)	Entrepreneurs' actual behavioural control (NS)	Firm size (+); Firm age (-); Firm's location (-); Firm's industry (NS)	Direct channel vs. Indirect channel	No
45	Fernández-Olmos and Díez-Vial (2015)	RBV	R&D intensity (NS); Advertising intensity (NS); Human resources (+); International experience (NS)	/	/	Firm size (+); Information and communication technology (+); Firm age (NS)	Direct channel vs. Indirect channel	Yes

Author		Theory ^{ab}	Antecedents ^e	Mediators ^d	Moderators ^{df}	Control Variables ^{de}	Dependent Variable (Channel Selection)	Performance Related
46	Kalinic and Brouthers (2015)	RBV, IT	Entrepreneurial orientation (+)	/	Regulative institutional distance (-); Normative/cognitive institutional distance (mix)	Asset specificity (NS); Internal uncertainty (mix); External uncertainty (mix); Frequency (-); Firm size (NS); International experience (NS); Number of countries (NS); Export channel experience (-); Nationality (-); Industry (mix)	Hierarchical channel vs. Cooperative channel	Yes
47	Serrano and Acero (2015)	TCA, UM	The using of Internet (+)	/	/	Product differentiation (NS); Human capital (+); Firm's size (+); Firm's age (NS); Foreign investors (NS)	Direct channel vs. Indirect channel	No

Notes: a. '/' denotes no theoretical bases have been identified.

b. TCA = Transaction Cost Analysis, RBV = Resources-based View, IT = Institutional Theory, UM = Uppsala Internationalisation Process model, OC = Organisational Capability Perspective, RDT = Resource Dependency Theory, NP = Network Perspective, ET = Eclectic Theory, MC = Marketing Control Theory, SM = Stage Model of Internationalisation, REP = Relational exchange paradigm, RCP = Relational contracting paradigm, EM = Eclectic model, PDp= Psychic Distance perspective, INVM = International New Venture Model

c. ANOVA = analysis of variance, BA = bivariate analysis, CA = correlation analysis, MDA = multiple discriminant analysis, RA = regression analysis, PA = path analysis, SEM = Structural Equation Model, CTA = content analysis, FA = Functional Approach

d. '/' denotes no mediator/moderator/control variable is used.

e. += increases likelihood of the first channel mode against the rest choices or positive effect on channel internalisation/externalisation, -= decreases likelihood of the first channel mode against the rest choices or negative effect on channel internalisation/externalisation, +*= increases likelihood of the second channel mode against the rest choices or positive effect on channel internalisation/externalisation, -* = decreases likelihood of the second channel mode against the rest choices or negative effect on channel internalisation/externalisation, mix = mixed result, NS = not significant.

f. += significantly positive impact on the link between antecedent and the channel selection, -= significantly negative impact on the link between antecedent and the channel selection, mix = mixed result, NS = not significant.

Table 2 Typology and definition of channel structures

Typology of channel structure	Definition of channel structures	Studies applied this typology	No of studies applied this typology
Direct channel vs. Indirect channel	Firms sell to foreign customers or foreign middlemen/agents/distributors directly or through a company-owned salesforce/distribution channel located overseas Firms sell to a middleman, agent or distributor who exports for them to the export countries	Brady and Bearden (1979), Chan (1992), Ramaseshan and Patton (1994), Chung (2002), Trabold (2002), Peng et al. (2006), Lau (2008), Carazo and Lumiste (2010), Hessels and Terjesen (2010), Abel-Koch (2013), Fernández-Olmos and Díez-Vial (2014), Dung and Janssen (2015), Fernández-Olmos and Díez-Vial (2015), Serrano and Acero (2015)	14
Market channel vs. Intermediate channel vs. Hierarchical channel (including both domestic and foreign hierarchical mode)	Firms use distributors who take title and perform all marketing and distribution functions Firms use agents or sharing control with another company/agent to perform the marketing and distribution functions Firms use the company-owned sales organisation(domestic hierarchical mode)/establish a foreign subsidiary (foreign hierarchical mode) to perform marketing and distribution functions	Klein et al. (1990), Klein and Roth (1990), McNaughton (1996), Aulakh and Kotabe (1997), McNaughton and Bell (2001), Li (2002), Li and Ng (2002), Li and Li (2003), He et al. (2013), Sandberg (2013)	10
Integrated channel vs. Independent channel (or Non-integrated channel)	Firms use primarily captive agents (company salesforce and company distribution division) to perform export activities Firms use primarily independent intermediaries (outside sales agents and distributor) to perform export activities	Anderson and Coughlan (1987), Chan (1991), Bello and Lohtia (1995), Kim (2001), Eriksson et al. (2006), Khemakhem (2010),	6
Shared-control channel vs. Full control channel	A share control channel that requires low-to-moderate commitment of resources, exposes the company to low - to - moderate business risk, and allows the company low-to-moderate return on investment A wholly owned channel enquires the highest commitment of company resources, exposes the company to the highest level of business risk, and allows the highest return on investment	Erramilli and Rao (1993), Ekeledo and Sivakumar (2004)	2

Typology of channel structure	Definition of channel structures	Studies applied this typology	No of studies applied this typology
Proprietary forms vs. Commercial alliances vs. Independent channels	Firms run commercial facilities abroad on his own A shared institutional mechanism to develop commercialization and/or distribution activities abroad to take advantage of the partner's physical presence and/or market knowledge of a country-market in question, without the exporter having to establish itself there Firms carry out international distribution through external intermediaries formed by agents and/or independent distributors in international markets	Rialp (2000), Rialp et al. (2002)	2
Distributor vs. Direct export	Firms ally with a partner (using a distributor) to perform export activities Firms export its offering to foreign market alone (direct exporting)	Burgel and Gordon (2000)	1
Export Intermediaries vs. Internet channel	Firms use export merchants or export agents to perform export functions in foreign market Firms use internet to export to the customer is foreign market directly	Li (2004)	1
Fully internalized channel vs. Shared-control channel	Firms direct invest in proprietary marketing and distribution abroad Firms joint ownership of foreign distribution asset or strategic alliances in distribution with firms located in the foreign market to perform export activities	Campa and Guillén (1999)	1
Partner based channel vs. Non-partner based channel	The born global firm in selling to indirect channel partners/or let local distributors become part of a mixed system in which the producer manages numerous customers directly with the Internet, while the local distributors focus on discrete segments of national markets The born global producer carries out all the channel functions by itself and applies the Internet for both promotion and to generate customers and/or handle product fulfilment	Gabrielsson and Gabrielsson (2011)	1
Market channel vs. Cooperative channel	Firms assigning distributors to export Firms using cooperation agreements in their exporting activities	Arranz and De Arroyabe (2009)	1
Hierarchical channel vs. Cooperative channel	Exporting firms take full responsibility for distribution and marketing of its products in the foreign country Exporting firms share some of the distribution or marketing with a foreign-based partner	Kalinic and Brouthers (2015)	1

Typology of channel structure	Definition of channel structures	Studies applied this typology	No of studies applied this typology
	through structures such as joint ventures, merchant distributors, and commission agents		
Market intermediary vs. E-intermediary	A specialist firm that functions as the export department of several manufactures in non-competitive lines to help firm in exporting An independent market intermediary serving as a B2B electronic marketplace in a form of cyberspace in which qualified members post offers to buy and sell and sales representatives then search the globe for firms that can supply or purchase relevant products, matching exporters with foreign buyers	Cho and Tansuhaj (2013)	1
Integrated channel vs. Indirect integrated channel vs. Non-integrated channel	Firms integrated directly i.e. had set up joint venture or wholly-owned sales subsidiaries without using an existing distributor Firms integrated through existing distributor Firms use only third-party distributor	Osborne (1996)	1
Proprietary channel vs. Non-proprietary export channels	Firms use vertical integration to perform distributional and sales activities Firms use external agents or distributors to perform distributional and sales activities	Merino and Salas (2002)	1
Direct writing distribution system vs. Independent agency distribution system	A distribution system includes both salespeople employed by the insurance firm and exclusive agents A distribution system consists of non-exclusive agents	Parente et al. (2010)	1
Company owned subsidiary (operation) vs. Outside agent	Firm use the company owned sales operation abroad to handle foreign business activities Firms contracting an outside agent to handle foreign business activities	Grønhaug and Kvitastein (1993)	1
Multiple channel vs. Single channel	Firm use a combination of direct and indirect channel in exporting Firm use a direct or an indirect channel only in exporting	McNaughton (2002)	1
Degree of vertical control in export channel	The degree of centralization and formalization exerted by exporting firms in their export channels	Klein (1989)	1

Table 3. Characteristics of studies reviewed

Authors		Country/Region of Study	Sample Size	Industrial Sector	Firm Size ^a	Data Collection	Response Rate (%)	Key Informant	Unit of Analysis ^b	Analytical Method ^c
1	Brady and Bearden (1979)	USA	686	Multi-industry	S	Survey	36.6%	Executives	N/A	ANOVA
2	Anderson and Coughlan (1987)	USA	94	Single industry (semiconductor)	SML	Interview	N/A	Senior executives	Venture	RA
3	Klein (1989)	Canada	927	Multi-industry	SML	Survey	55%	Not clear	Venture	RA
4	Klein et al. (1990)	Canada	925	Multi-industry	SML	Survey	55%	The owner/General manager	Venture	RA
5	Klein and Roth (1990)	Canada	900	Multi-industry	SML	Survey	53%	Not clear	Venture	RA
6	Chan (1991)	Hong Kong	70	Single industry (electronic)	SML	Survey	20%	Managing director or CEOs	Firm	CTA
7	Chan (1992)	Hong Kong and Singapore	400	Multi-industry	SMEs	Survey	30.5%	Top managers	Firm	CA
8	Erramilli and Rao (1993)	USA	395	Multi-industry	SML	Survey	44.3%	Vice presidents, directors of international operation, presidents, and CEOs	Firm	RA
9	Grønhaug and Kvitastein (1993)	Norway	266	Multi-industry	SMEs	Data base	N/A	N/A	Venture	RA
10	Ramaseshan and Patton (1994)	USA	85	Multi-industry	S	Survey	73%	Not clear	Venture	RA
11	Bello and Lohtia (1995)	USA	398	Multi-industry	SML	Survey	68%	Key export manager	Firm	MANOVA
12	McNaughton (1996)	Canada	348	Single industry (software)	SML	Survey	32%	The owner/operator or export manage	Venture	RA
13	Osborne (1996)	New Zealand	20	Multi-industry	SMEs	Interview	N/A	Senior member of marketing or management team	Venture	CTA
14	Aulakh and Kotabe (1997)	USA	352	Multi-industry	SML	Survey	30.7%	International marketing managers	Firm	MDA and RA
15	Campa and Guillén (1999)	Spain	837	Multi-industry	SML	Data base	N/A	N/A	Venture	RA
16	Burgel and Gordon (2000)	United Kingdoms	2,000	Multi-industry	SML	Survey	24%	Managing Directors	Firm	RA
17	Rialp (2000)	Spain	2,264	Multi-industry	SML	Data base	N/A	N/A	Firm	RA
18	Kim (2001)	USA, Japan	548	Multi-industry	SML	Survey	22.6%	Vice president of Marketing	Venture	RA

Authors		Country/Region of Study	Sample Size	Industrial Sector	Firm Size ^a	Data Collection	Response Rate (%)	Key Informant	Unit of Analysis ^b	Analytical Method ^c
19	McNaughton and Bell (2001)	Canada	470	Single industry (software)	S	Survey	26%	The owner/operator or export manager	Venture	RA
20	Chung (2002)	New Zealand	580	Multi-industry	SML	Survey	26.80%	Not clear	Venture	RA
21	Li (2002)	UK	17	Multi-industry	SML	Interview	N/A	Export manager	Firm	CTA and CPA
22	Li and Ng (2002)	North America and Western Europe	366	Multi-industry	SML	Survey	56.28%	Export managers or senior managers, business managers of export intermediaries	Firm	RA
23	McNaughton (2002)	Canada	470	Single industry (software)	S	Survey	26%	The owner/operator or export manager	Venture	RA
24	Merino and Salas (2002)	Spain	922	Multi-industry	SML	Data base	N/A	N/A	Firm	RA
25	Rialp et al. (2002)	Spain	2,264	Multi-industry	SML	Data base	N/A	Top export decision maker and/or top manager	Firm	BA
26	Trabold (2002)	France	20,000	Multi-industry	SML	Data base	N/A	N/A	Other	CA
27	Li and Li (2003)	USA	328	Single industry (software)	SML	Survey	39.6%	President or CEOs	Venture	SEM
28	Ekeledo and Sivakumar (2004)	USA	975	Multi-industry	SML	Survey	20%	Upper level managers	Firm	RA and TCT
29	Li (2004)	Canada, UK	30	Multi-industry	SML	Interview	N/A	Export managers or international division managers, business managers of export intermediaries, buying managers of customers	Firm	CTA
30	Eriksson et al. (2006)	Sweden, New Zealand, Denmark	1830	Multi-industry	SMEs	Survey	27%	CEOs or managers in charge of international operations	Firm	RA
31	Peng et al. (2006)	USA	185,731	Multi-industry	SML	Data base	N/A	N/A	Other	CA
32	Lau (2008)	Hong Kong	809	Single industry (electronic)	SML	Survey	17.7%	CEOs	Firm	CA and RA
33	Arranz and De Arroyabe (2009)	Spain	250	Multi-industry	SMEs	Survey	92%	CEOs and high-level managers	Firm	RA
34	Carazo and Lumiste (2010)	Colombia	N/A	Multi-industry	SMEs	Survey	N/A	Director	Firm	RA
35	Hessels and Terjesen (2010)	Netherlands	1,665	Multi-industry	SMEs	Survey	52%	Owner or managers	Firm	RA

Authors		Country/Region of Study	Sample Size	Industrial Sector	Firm Size ^a	Data Collection	Response Rate (%)	Key Informant	Unit of Analysis ^b	Analytical Method ^c
36	Khemakhem (2010)	Tunisia	550	Multi-industry	SMEs	Survey	77%	Senior executives or Export managers	Firm	RA
37	Parente et al. (2010)	France, Germany, Japan, Spain, Sweden, and Switzerland	168	Single industry (Insurance)	SML	Data base	N/A	N/A	Firm	RAp
38	Gabrielsson and Gabrielsson (2011)	Finland	35	Multi-industry	SMEs	Interview	N/A	CEO or Marketing director	Firm	CTA
39	Abel-Koch (2013)	Turkey	1204	Multi-industry	SML	Database	N/A	N/A	Firm	RA
40	Cho and Tansuhaj (2013)	Korea	600	Single industry (electronic)	SMEs	Survey	24%	Senior managers	Firm	SEM
41	He et al. (2013)	China	501	Multi-industry	SML	Survey	38.9%	CEOs, managing directors	Venture	RA
42	Sandberg (2013)	Sweden	277	Multi-industry	SMEs	Survey	73%	CEOs or market/sales manager, or area manager	Firm	ANOVA
43	Fernández-Olmos and Díez-Vial (2014)	Spain	211	Single industry (wine)	SML	Survey	83%	Export managers	Firm	RA
44	Dung and Janssen (2015)	Vietnam	84	Multi-industry	SMEs	Database	N/A	N/A	Firm	RA
45	Fernández-Olmos and Díez-Vial (2015)	Spain	157	Single industry (wine)	SMEs	Survey	88%	Export managers	Firm	RA
46	Kalinic and Brouthers (2015)	Italy, Netherlands	1870	Multi-industry	SMEs	Survey	29.7%	The entrepreneur/Owner, CEO, or high-level manager	Venture	RA
47	Serrano and Acero (2015)	Spain	213	Single industry (wine)	SML	Survey	83%	Manager or a team of managers	N/A	RA

Notes: a. S = small size; M = medium size; L = large size; SMEs = small and medium size; SML = small, medium, and large size

b. N/A = Not provide enough information about unit of analysis; Other = use congregate data

c. ANOVA = analysis of variance, BA = bivariate analysis, CA = correlation analysis, MDA = multiple discriminant analysis, RA= logit regression analysis; RAp = probit regression analysis; SEM = Structural Equation Model; CTA = content analysis; CPA = comparative analysis; TCT = Two-way contingency table analysis